

Jacob Chen, Esq.  
One Rockefeller Plaza, 1060  
New York, NY 10020  
Ph: 917-633-6860  
E-mail: jchen@dgwllp.com  
Attorney for Plaintiffs

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

-----X  
YISHENG LI.

Plaintiff,

-against-

STEWART LOR,

Defendant.  
-----X

Civil Action No.:  
2:20-CV-05099-JMV-JRA

**STATEMENT OF  
MATERIAL FACTS**

Plaintiff Yisheng Li, and counter-claim defendant Xin Yue Guo, by and through their attorneys DGW Kramer LLP, hereby submits the following statement of material facts not in dispute for the Court's consideration:

1. On April 23, 2016, Plaintiff ("Mr. Li" or "Plaintiff") signed a Securities Purchase Agreement (the "Agreement"), pursuant to which he would make an investment of \$500,000 in a company called Fanz Co., Ltd. ("Fanz"). (Exhibit A).

2. On May 18, 2016, the Agreement was amended (the "Amendment") to expand the existing "Make Good" provision of the Agreement. (Exhibit B).

3. Per the Amendment, if Fanz fails to secure Series A funding and discontinues its operations, Mr. Guo and Defendant ("Mr. Lor" or "Defendant") agreed to return in full the investment made by Plaintiff. (Exhibit B).

4. Per the Amendment, Mr. Guo and Mr. Lor would each be responsible for half of the

amounts due, i.e. \$250,000 each. (Exhibit B).

5. The Amendment was executed by Mr. Li, Mr. Guo, and Mr. Lor. (Exhibit B).

6. Fanz was not able to secure Series A funding and discontinued operations. (Exhibit C, 30-31).

7. Mr. Lor never made the \$250,000 payment to Mr. Li. (Exhibit C, 35).

8. On November 27, 2019, Mr. Li attempted to assign his claim against Mr. Lor to Mr. Guo. (Exhibit D).

9. Mr. Lor challenged the validity of the assignment before this Court. His first counter-claims, seeks declaratory judgment that the assignment was invalid, that the consideration paid to Mr. Li, including shares in Sea & Sand “are worthless and cannot be the basis of a valid assignment” and furthermore, Mr. Lor was “never given proper notice of the assignment under Chinese law.” (Exhibit E, 5).

10. Mr. Guo admits that the shares in Sea & Sand are in fact worthless, that Sea & Sand is defunct, and that no notice was given to Mr. Lor about the assignment. (Exhibit F).

11. Mr. Guo and Mr. Li therefore in response to the claims raised by Defendant, orally cancelled the assignment. (Exhibit F).

12. The cancellation was later reduced into writing. (Exhibit G).

13. On October 14, 2021, counsel for Mr. Li and Mr. Guo reached out to counsel for Defendant, accepting Defendant’s position “with respect to the legitimacy of the assignment” and offered to withdraw the assignment related claims. (Exhibit H).

14. Defendant agreed and on October 22, 2021, executed a stipulation of dismissal with prejudice of Mr. Guo’s claims. (Exhibit I).

15. Separate and apart from the claims related to Mr. Li are claims made by Mr. Lor

against Mr. Guo arising out of an alleged loan from non-party Ms. Hu. (Exhibit E).

16. Mr. Lor alleges that there was a loan that was made to Fanz by Ms. Hu. (Exhibit C, 42)

17. Ms. Hu was a friend of Mr. Lor. (Exhibit C, 40-41).

18. Mr. Lor pledged up his own personal house as collateral for the loan from Ms. Hu. (Exhibit C, 42).

19. The deal was oral, and was negotiated solely by and between Ms. Hu and Mr. Lor directly. No one else was involved in these conversations other than Ms. Hu and Mr. Lor. (Exhibit C, 42-43).

20. Mr. Guo has never signed any guarantee with respect to the loan to Fanz by Ms. Hu. (Exhibit F).

Based on the foregoing undisputed material facts, and in accordance with the accompanying memorandum of law in support, Plaintiff Mr. Li and counter-claim defendant Mr. Guo respectfully requests that the Court grant summary judgment in favor of Plaintiff for the amount as demanded in the Complaint and for dismissal of the counter-claim as to and against Mr. Guo.

Dated: New York, New York  
August 19, 2022

Respectfully submitted,  
DGW Kramer LLP

By: /s/ Jacob Chen  
Jacob Chen, Esq.  
Attorneys for Mr. Li and Mr. Guo  
One Rockefeller Plaza, 1060  
New York, NY 10020  
Ph: 917-633-6860  
E-mail: [jchen@dgwllp.com](mailto:jchen@dgwllp.com)